

Message Text

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15

ACTION AGR-20

INFO OCT-01 EA-11 ISO-00 EB-11 SWF-02 COME-00 TRSY-11

AID-20 OMB-01 DRC-01 CIAE-00 INR-10 NSAE-00 RSC-01

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R 231109Z APR 74

FM AMEMBASSY SEOUL

TO SECSTATE WASHDC 3452

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FOR MEAD AGRIC/FAS

FROM AGRICULTURE ATTACHE

E.O. 11652: N/A

TAGS: EAGR

SUBJ: PTA 16 FINANCING FOR CONSTRUCTION KSC PIER

REF: FASTO 30

1. RE ITEM 1 REFTEL AGATT WILL ATTEMPT OBTAIN CLEARER PICTURE EPB POLICY AND PROCEDURES CONCERNING KSC DURING DEVGON VISIT. AGATT DOUBTS THAT BARLEY WOULD BE APPROVED HOWEVER WHEAT OR CORN MAY BE ACCEPTABLE AS COVERED IN PARA THREE BELOW.

2. IN LIGHT REFTEL AND COMING VISIT DEVGON AGATT BELIEVES BROADER ISSUES INVOLVED THAN THAT REFLECTED IN REFTEL.

3. END USER CONCEPT WAS DISCUSSED IN RECENT INFORMAL CONVERSATION WITH CHOI OF EPB. WHEN IT APPEARED THAT CAPITAL INDUCEMENT VIA TOBACCO WAS NOT RPT NOT POSSIBLE AND CASH LOANS SUBJECT 3 YR REPAYMENT, AGATT ASKED CHOI FOR SUGGESTIONS. REPLY WAS GRAINS, BUT NOT RPT NOT BARLEY AS KSC NOT END USER BARLEY. AGATT STATED KSC AS SUCH NOT RPT NOT END USER ANY AGRI COMMODITY. CHOI HOWEVER CONSIDERS KSC AS PART OF DAEHAN WHICH END USER WHEAT AND FEED

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GRAINS. CHOI'S CONCEPT UNDERSTANDABLE ESPECIALLY IN LIGHT OF FACT

THAT VIRTUALLY ALL REPRESENTATIONS TO ROKG ON BEHALF OF KSC DURING PAST YEAR MADE BY PRES YOO.

IF AND WHEN WHEAT OR FEED GRAINS ELIGIBLE IT MAY BE POSSIBLE FOR DAEHAN OR KSC TO SELL STOCKS TO KOFMIA OR KFA MILLS. HOWEVER AT PRESENT STOCKS ON HAND AND PIPELINE SUPPLIES ARE QUITE ADEQUATE.

4. KSC'S IDENTITY AS PART OF DAEHAN GROUP MAY HELP SOLVE ABOVE PROBLEM, HOWEVER, IT DOES NOT RPT NOT ENHANCE IMAGE THAT KSC IS OR SHOULD BE PUBLIC SERVICE ELEVATOR WHOSE CUSTOMERS ARE DAEHAN'S COMPETITORS.

5. QUESTIONS PERTAINING TO COMMODITIES AND TITLE TO FINGER PIER ARE PERHAPS SECONDARY TO BASIC QUESTION OF PERIOD OF FINANCING. KSC, AND PERHAPS CCC, APPEARS TO HAVE OVERLOOKED THE FACT THAT ORIGINAL AGREEMENT FOR 12 YEAR FINANCING WAS REACHED ONLY AFTER CONSIDERABLE REPRESENTATION TO EPB BY AG ATTACHE. IT SHOULD NOT BE ASSUMED THAT THE ADDITION OF 2 MILLION DOLLARS TO PTE LOAN AGREEMENT WILL AUTOMATICALLY FALL UNDER THE 12 YEAR REPAYMENT PROVISIONS AS THE SAME ISSUES REMAIN REGARDING LOAN REPAYMENT PERIODS. IT MAY BE POSSIBLE TO ACHIEVE THIS BUT EXPERIENCE SUGGESTS IT BE HANDLED IN THE SAME MANNER AS THE ORIGINAL AGREEMENT.

6. IN LETTER TO DEVGON DATED APR 17, PRES YOO STATES FOLLOWING:

A. KSC NOW PLANS FINANCE JETTY PIER WITH OWN FUNDS.

B. KSC PROPOSES ADJUST USE OF PROJECT FUNDS BY DISTRIBUTING DLRS 2.0 MILLION ADDITIONAL CCC FUNDS AMONG LINE ITEMS APPARENTLY PERTAINING TO SILO SUCH AS (1) BUILDINGS AND SILO FACILITIES INCREASED DLRS 920,000; AND (2) M/C TOOLS AND EQUIP DLRS 706,714.

C. APPLICATION FOR APPROVAL OF ABOVE SUBMITTED TO EPB ON APR 12 AND APPROVAL EXPECTED BY EARLY MAY.

D. KSC REQUESTS P/A DEADLINE EXTENSION TO JUN 30. AGATT ASSUMES THIS PERTAINS TO TOBACCO.

7. AGATT NOT CONSULTED RE ITEM 6 ABOVE. FYI AGATT DISCUSSED PROBLEMS PERTAINING TO GENERAL MATTER WITH HUME AND HORBALY LAST WEEK.
HABIB

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PL 480, WHEAT, TOBACCO, CORN, VISITS, GRAINS, BARLEY, COMMODITY AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 23 APR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974SEOUL02560
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740094-0735
From: SEOUL
Handling Restrictions: n/a
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Legacy Key: link1974/newtext/t19740421/aaaaasjf.tel
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Review Exemptions: n/a
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EO Systematic Review
30 JUN 2005

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Type: TE
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